

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

<b>In the Matter of</b>	)	
	)	
<b>1993 Annual Access Tariff Filings</b>	)	<b>CC Docket No. 93-193</b>
	)	
<b>1994 Annual Access Tariff Filings</b>	)	<b>CC Docket No. 94-65</b>
	)	

**ALLTEL Refund Plans**

ALLTEL Corporation, Inc., on behalf of its ALLTEL Nebraska, Inc. and Kentucky ALLTEL, Inc. subsidiaries submits the following refund plan in response to the Commission's Order<sup>1</sup> released in July 30, 2004.

**I. Background**

In the *Add Back Order*, the Commission concluded that just and reasonable rates cannot be achieved without requiring price-cap companies to eliminate the effects of prior year's earnings resulting from sharing or low-end adjustments<sup>2</sup>. The process of eliminating these prior year effects is known as "add-back"<sup>3</sup>.

Several price-cap companies that implemented sharing or low-end adjustments failed to apply add-back when calculating their PCIs in the 1993 and 1994 annual filings. The Commission found the rates filed in the above annual filings to be unjust and unreasonable and is requiring these companies to make certain calculations to bring the rates into compliance and to submit a plan for refunding any amounts plus interest resulting from such rate decrease.<sup>4</sup>

**II. ALLTEL Nebraska, Inc.**

ALLTEL Nebraska, Inc. (formerly "Lincoln Telephone and Telegraph", "Aliant") elected price-cap regulation beginning with its July 1, 1993 annual filing. As a result, ALLTEL Nebraska, Inc. did not implement sharing or low-end adjustments in 1992 (it was regulated under rate-of-return that year) or 1993, therefore no add-back was required for the annual filings being investigated in the *Add Back Order*.

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<sup>1</sup> *In the Matter of 1993 Annual Access tariff Filings, 1994 Annual Access Tariff Filings*, CC Docket No. 93-193 and CC Docket No. 94-65, FCC 04-151, released July 30, 2004. ("Add Back Order")

<sup>2</sup> *Add Back Order* at ¶9.

<sup>3</sup> *Id.*

ALLTEL Nebraska, Inc. implemented sharing in its 1994 annual filing, which would have required ALLTEL Nebraska, Inc. to apply add-back for the first time in its 1995 annual filing. The 1995 annual filing made by ALLTEL Nebraska, Inc. complied fully with the newly adopted order<sup>5</sup> requiring add-back.

ALLTEL Nebraska, Inc. is therefore not subject to the re-calculation and refunds requirements of the *Add Back Order*

### **III. Kentucky ALLTEL, Inc.**

The Kentucky ALLTEL, Inc. (formerly “Verizon South-KY” and “Verizon Contel-KY”) properties were acquired by ALLTEL Corporation on August 1, 2002.<sup>6</sup> Kentucky ALLTEL, Inc. is not in possession of the data necessary to comply with the Commission’s request in the *Add Back Order*. The re-calculations and refund plans for Kentucky ALLTEL, Inc., to the extent any are required, will be included in the plan submitted by Verizon Communications, Inc.

Respectfully submitted,

ALLTEL Corporation, Inc.

By: /s/ Cesar Caballero

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<sup>4</sup> Id. at ¶29.

<sup>5</sup> *In the Matter of Price Cap Regulation of Local Exchange Carriers Rate-of-Return Sharing and Lower Formula Adjustment*, CC Docket No. 93-179, 10 FCC. Rcd. 5656 (released April 14, 1995).

<sup>6</sup> Public Notice, Report No. 1176, Wireless Telecommunications Bureau Assignment of Authorization and Transfer of Control Applications Action at 31 (May 8, 2002).